

New French Regime Working For Quick Accord With Italy

Steady Effort To End Differences With Mussolini Planned by Daladier Cabinet

RECOGNITION ASKED FOR ETHIOPIAN GRAB

France May Grant It If Mussolini Will Agree To Get Out Of Spain and Stay Out Even After Franco Wins War; Conservative Policy Is Likely

Paris, April 11.—(AP)—Quick efforts to end differences with Italy were predicted in parliamentary quarters, where the new government of Edouard Daladier was said today to be planning to fall fully in line with the British conciliatory policy.

It was reported in these quarters that an extraordinary envoy would be sent to Rome promptly to discuss settlement of the problems disturbing the relations of the two countries. The discussions would follow the British negotiations of an Italian friendship understanding.

The problems are primarily the question of Spain and the question of recognition of the Italian conquest of Ethiopia.

It is understood that in return for an Italian promise to keep out of Spain after the war is ended and to send no further troops to the insurgent army, the French government is seriously flirting with the idea of granting recognition to the king of Italy as emperor of Ethiopia.

The agreement would be followed by appointment of a French ambassador to replace the present charge d'affaires. The last appointed ambassador to Rome never took his post because France did not recognize the Ethiopian conquest.

The Daladier government, especially by Georges Bonnet in the foreign office, is viewed on all sides as likely to plot a conservatism international policy.

Threats Of Floods For South Wane

Selma, Ala., April 11.—(AP)—Danger from rushing flood waters in three southern states abated slowly today while thousands of evacuated citizens prepared to return to their homes in town and country.

Metereologists and relief workers in Alabama, hardest hit by the record-breaking rains of the past week, said little additional damage was anticipated while from Mississippi and Georgia came reports of improved conditions.

Red Cross officials in Alabama alone estimated 20,000 persons had been driven from their homes, while more than 1,000 were estimated homeless in Mississippi.

About 250 families evacuated from lowlands at Rome, Ga., prepared to return to their homes as the Oostanaula river reached its crest. The business section of Rome was not affected.

From Hattiesburg, Miss., came a report of improved conditions.

\$2 Million To Unemployed Is State Total

228,112 Checks Were Issued by Raleigh Office Through Last Thursday

Raleigh, April 11.—Before this week is over, \$2,000,000 will have been distributed to North Carolina unemployed workers in weekly benefits by the State Unemployment Compensation Commission, unless the drop in average benefit amounts is greater than is now expected, Chairman Charles G. Powell, announces. Also, more than 200,000 original claims for compensation will have been filed almost by the beginning of this week.

Through Thursday of last week the central office had issued 228,112 checks for a total of \$1,755,329.44, or an average of \$7.70 per check. A part of these checks have been for two or three weeks of benefits, making the average larger than the approximately \$5.75 a week for each claimant. The

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INSURGENTS READY FOR DIRECT ATTACK NOW ON BARCELONA

They Cross Segre River in One of Bloodiest Battles of Catalonia Offensive

BITTER DEFENSE BY LOYALIST SOLDIERS

Bayonet Attacks Used by Insurgents To Consolidate Positions in Preparation for Advance on Government Capital, Now Nearly Isolated

Hendaye, France, April 11.—(AP)—The Spanish insurgents crossed the Segre river at Balaguer today in one of the bloodiest battles of the Catalonia offensive, and put themselves in position today for a direct assault on Barcelona.

Under cover of heavy artillery fire and airplane bombardment, a offensive of General Moscardo's Navarrese and Galician troops affected the crossing on pontoon bridges. Unexpectedly strong resistance from government forces imperilled the crossing operations time and again but finally the defenders were driven from their lines.

Bayonet attacks enabled the insurgents to consolidate their positions east of the river with a four-mile thrust along the road leading to the provisional capital of government Spain, 75 miles away. Balaguer is 14 miles northeast of Lerida, which has been a quiet sector since its capture. While Moscardo's central body of

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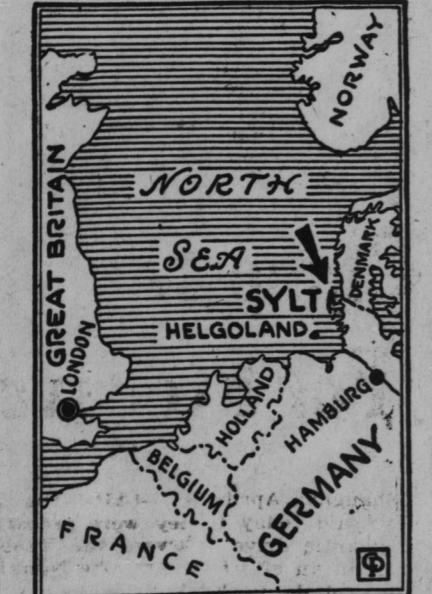
SETBACK REDUCED IN STOCK TRADING

Leading Issues Forced To Absorb Light Profit-Selling at Outset of Session

New York, April 11 (AP)—Stock market leaders were forced to absorb light profit-selling in today's market, and many of last week's climbers slipped fractions to a point or so at the worst. The comparatively small volume of offerings, however, seemed to encourage speculative forces, and extreme setbacks were reduced or cancelled around noon. Bonds were inclined to do better.

Table with 2 columns: Stock Name and Price Change. Includes American Radiator, American Telephone, American Tobacco, etc.

New Nazi Fortress?



Site of secret island stronghold? Nazi fortress has built a huge, secret fortress on the island of Sylt off Jutland in the North Sea, according to a London Daily Mirror dispatch from Toender, Denmark. Giant warplane hangars, camouflaged to resemble gardens full of shrubbery, form part of the bulwark, the report states.

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Mayors Seek Cut of \$1,500,000,000 Melon



Mayor Fiorello H. LaGuardia and six other chief executives of major cities are pictured at Washington as they planned the amounts they would seek from the Federal government's \$1,500,000,000 fund to prime the business pump. LaGuardia will ask for \$150,000,000 for New York. In the picture, left to right are: (seated) Mayors Burton, of Cleveland; Dickman, of St. Louis; LaGuardia; Scholz, of Louisville and Tobin, of Boston. Standing are: Mayor Chauncey, of Tampa, Fla.; Paul V. Bettens, director of the mayors' conference, and Mayor Hoan, of Milwaukee. (Central Press)

Senatorial Campaign Is Rather Bore Some So Far

Little Sign of Activity of Any Sort in Reynolds-Hancock Race; Hancock's Absence from Reorganization Vote Is Talked; Massenberg Rises

Daily Dispatch Bureau, In the Sir Walter Hotel, Raleigh, April 11.—If something isn't done very shortly to pep things up a bit, the Reynolds-Hancock senatorial campaign is likely to curl up and die of utter and complete boredom—a situation which political commentators would, of course deplore.

Yet to date there is no sign of an issue, little sign of activity of any sort; a condition which leaves the writers (including your correspondent) with nothing to write about except the fact that there's nothing to write about.

Last week two events transpired which may form the basis for some slight perk up. Senator Reynolds sent out innumerable postcards to his constituents advertising the fact that

he is going to make a speech denouncing, flaying and otherwise taking the hide off aliens illegally in the country as well as off those departments of the government he considers responsible for this sad state of affairs. The cards were sent out under government frank.

The other happening was failure of Representative Hancock to be in Washington for a vote on the reorganization bill, for which Tar Heel Lindsay Warren made such a vigorous, though losing, battle.

So now Hancock and his henchmen can with much logic attack Reynolds for using his government franking, privilege to advertise himself and his Senate campaign; while on the other

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STATE CONVENTION TO DODGE LIQUOR

Showdown on Prohibition Question at Democratic Meet Unlikely

Daily Dispatch Bureau, In the Sir Walter Hotel, Raleigh, April 11.—Delegates to the Democratic State Convention here May 16 are likely to be handed a very hot potato in the form of demand for a showdown on the liquor question.

It is regarded in practically all quarters, however, as extremely unlikely that the gathering will take any very forthright stand one way or the other. If an attempt is made to put in a liquor plank that really means anything, and if a real effort is made to push the question, then the meeting has possibilities of being brim full of pyrotechnics.

Officially dry leaders are non-committal regarding any effort to force a "dry" or "statewide referendum" declaration by the Democratic convention, but it would be nothing but logical if they should make such a try.

Cale K. Burgess and his United Dry Forces have already announced they

Townsend Must Serve Jail Term

Washington, April 11 (AP)—The Supreme Court refused today to interfere with a 30-day jail sentence imposed for contempt of a House committee upon Dr. Francis Townsend, 71-year-old author of the Townsend old-age pension plan. The tribunal declined to review a decision by the United States Court of Appeals for the District of Columbia, upholding the conviction for walking out on a House committee investigating the pension plan. Only one word was employed by the tribunal in making known its action. That was "denied."

In other actions before adjourning for two weeks, the court: I. Set aside the murder conviction

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CONGRESS RESENTS FDR'S ARROGANCE

Solons Think President Has Highly Exalted Opinion of Himself

By CHARLES P. STEWART, Central Press Columnist Washington, April 11.—Friends of President Roosevelt are asserting that a large bloc of senators and representatives have developed so bitter a personal hostility toward the White House "team" as to guarantee their opposition to any policy he sponsors, regardless of its merits.

The rare not speaking of Republican opposition, which is taken for granted; they refer to opposition in Democratic congressional ranks.

Undoubtedly there is a deal of truth in this diagnosis. The opposition part of it is indisputable. But it is due to Personal hospitality to the President? From talks with a great many legislators I

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Rate Fight For South Is Started

Birmingham, Ala., April 11 (AP)—Attacking southern rail rates as a "barrier to the free flow of commerce", Governor Bibb Graves of Alabama opened today the South's fight for lower freight rates.

Graves was the first witness at an Interstate Commerce Commission hearing at a complaint from eight southeastern states charging "discrimination" against southern shippers by railroads.

More than 100 attorneys, rate experts and others attended the hearing before William Lee, member of the I. C. C.

New England and eastern states

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WEATHER FOR NORTH CAROLINA

Partly cloudy and warmer tonight; Tuesday partly cloudy and unsettled; slightly warmer in central portions.

REPUBLIC STEEL'S CHAIRMAN ASSERTS CHARGES NOT TRUE

Company's Blame for Death in Rioting Wholly Without Evidence, Girdler States

WILL FIGHT ISSUE IN COURT, HE SAYS

"Very Labored Effort" Is Made by Labor Board To Establish Case Against Company; Company Held Not Liable for Actions of Ohio National Guard

Cleveland, April 11.—(AP)—The National Labor Relation Board's action in blaming Republic Steel Corporation for death of three CIO workers at Massillon, Ohio, in last summer's steel strike, "is wholly unsupported by the evidence," Tom Girdler, Republic chairman, said today.

Girdler, in a statement, said "the courts will have to decide" whether "the company must not negotiate with its employees who have formed their own independent labor organization," and added that Republic will "take advantage of all rights under the law."

The labor board Saturday found that Republic had violated the Wagner labor act on eight counts. It ordered employee representation plans broken up at its five Ohio plants, and among other things ordered reinstatement of 5,000 strikers with back pay. "The attempt of the board to place responsibility upon Republic for a riot between city police and the CIO at Massillon is, we believe, wholly unsupported by the evidence," Girdler said.

"Some 40 pages of the board's report

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Sentence—500 Years



Mrs. Lillie Mae Curtis . . . life in prison

Five hundred years in prison! Sentences totaling 500 years were given Mrs. Lillie Mae Curtis, 38, of Center, Tex., who killed six of her nine children while they slept. Mrs. Curtis showed no emotion when the verdict was read at two trials which took only a few hours. Penalties of 99 years imprisonment were assessed on five murder charges, and a five-year suspended sentence for the killing of her husband three years ago was ordered carried out.

(Central Press)

RELIEF ALLOTMENT FOR \$1,250,000,000 IS GIVEN APPROVAL

Whitney Is Given Term 5-10 Years

Former Stock Exchange Head Sentenced for Grand Larceny

New York, April 11.—(AP)—Richard Whitney, bankrupt broker and former president of the New York Stock Exchange, was sentenced today to serve from five to ten years in prison for grand larceny.

Whitney, whose brokerage firm, Richard Whitney & Company, failed on March 8, had pleaded guilty to two indictments charging first degree larceny in the misuse of securities entrusted to his care by the New York Yacht Club and members of his family.

Judge Owen Bohan, in General Sessions, sentenced Whitney to the five to ten year sentence on each indictment, the sentences to run concurrently.

Whitney had faced a possible maximum of 20 years in prison.

Within a month and three days from the date when the New York Stock Exchange curtly announced the suspension of Richard Whitney & Company, the aristocratic broker-clubman appeared in General Sessions court.

Nothing less than a "substantial and punitive sentence would satisfy District Attorney Thomas E. Dewey, who haled Whitney into court two days after the exchange suspension notice.

William McShesney Martin, Jr., 31-year-old member of the St. Louis firm of A. G. Edwards & Sons, meanwhile stood in line to become the youngest head of the New York Stock Exchange in its 146 years of history. Martin was named by the nominating committee of the exchange for the chairmanship, which is top elective office of the big market under its new constitutional set-up.

MRS. JOHN R. JONES DIES IN WILKESBORO

North Wilkesboro, April 11.—(AP)—Mrs. John R. Jones, Republican national committeewoman, died today at a hospital here after an illness of about a month.

Mrs. Jones, member of a prominent Wilkes county family, had been active in Republican party councils for years. She was the wife of Solicitor John R. Jones, and sister of Robert H. McNeill, of Washington, D. C.

Strawberry Crop Starts For Market

Wallace, April 11 (AP)—Strawberries, North Carolina's first big money crop of 1938, went to market today. Markets in seven towns opened without ceremony. Agricultural experts estimated the crop would sell for about \$1,500,000.

The market towns are Mount Olive, Rose Hill, Burgaw, Chadbourne, Taber City, Warsaw and Wallace.

At Wallace the market was off at the opening, with only 150 crates of the berries being sold before noon, and with prices ranging from \$1.50 to \$4. Quality of the berries was poor because of recent heavy rains. Saturday 650 crates were sold at prices ranging from \$1.50 to \$5.

The Rose Hill market was about the same as that here, with only 75

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Will Have To Last Seven Months to February 1 In Fiscal Year Beginning July 1

DOES NOT INCLUDE ANY PUMP PRIMING

Additional \$1,500,000,000 for That Purpose Expected; White House Conference in Accord; Roosevelt Asks for Aid for Nation's Railroads

Washington, April 11.—(AP)—President Roosevelt and congressional and departmental leaders agreed today a \$1,250,000,000 appropriation would be needed for work relief for the first seven months of the fiscal year beginning July 1.

The appropriation, to be recommended in a special congressional message in the next few days, would be for WPA alone. It compares with a budget estimate of \$1,000,000,000 submitted to Congress in January to cover the entire new fiscal year, and \$1,750,000,000 being spent for WPA and other relief activities this fiscal year.

The White House conference also agreed an additional \$50,000,000 should be appropriated for the CCC for the next fiscal year. This would enable the CCC to maintain its existing 1,250 camps. Otherwise, Democratic leaders said, 300 camps would have to be abandoned July 1.

Senate Leader Barkley, speaking for the conferees, said the conference did not discuss the proposed expenditure of \$1,500,000,000 for "pump priming" public works.

Barkley said the \$1,250,000,000 for work relief would be earmarked for WPA alone, with the understanding that it must last until February 1, 1939. He said the increased fund would preserve WPA rolls at about 2,500,000. Without the added money, he said, 400,000 persons would have to be cut off the rolls.

Labor leaders and the United States Conference of Mayors have contended 3,500,000 persons would have to be given jobs. Asked about this, Barkley said any additional need unemployed under the present enrollment of 2,900,000 would have to be taken care of under the pump-priming program.

President Roosevelt asked Congress, meantime, for "some immediate legislation" to forestall prospective operating difficulties of the railroads, but

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Britain To Back Italy In Ethiopia

To Ask League Recognition of Conquest; Italy Welcomes News

London, April 11.—(AP)—Britain started League of Nations machinery today to obtain recognition for Italian Ethiopia, and reliable quarters indicated Prime Minister Chamberlain's long-sought agreement with Italy was virtually ready for signing.

He asked that the League Council, meeting May 9, consider the Ethiopian question.

Official statements on the works of Anglo-Italian negotiations to end two and a half years of embittered relations could be expected at the beginning of next week.

It was no secret in diplomatic circles that the agreement had already been reached, to be drafted formally

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Chinese Preparing Drive For Recovery Of Nanking

Shanghai, April 11.—(AP)—The Chinese said today they were preparing a gigantic drive toward the Yangtze river in an effort to re-take Nanking the capital lost to Japanese last December 11.

Reporting new sweeping victories along the Tientsin-Pukow railway and Tientsin-Pukow fronts, the Chinese saw these asserted victories as inspiration for the new offensive.

A strong Chinese force along the Tientsin-Pukow line, awaiting an expected Japanese drive northward against Hsuechow, was reported ready to change its tactics and strike out

toward a point about 100 miles north of Nanking.

Japanese acknowledged three Chinese attacks in the vicinity of Pengpu, but said they were repulsed and that Chinese losses were heavy.

The ambitious offensive mapped by the Chinese includes a flanking offensive against Wuhu; a drive northward from the Yellow river in an effort to push the Japanese from its north bank and through Shansi province; ultimately a northward movement along the Peiping-Hankow railway, and then, if successful, a push against Peiping and Tientsin.